

COMMONWEALTH of VIRGINIA

DEPARTMENT OF ENVIRONMENTAL QUALITY

 James S. Gilmore, III Governor

John Paul Woodley, Jr. Secretary of Natural Resources Northern Virginia Regional Office 13901 Crown Court Woodbridge, VA 22193-1453 (703) 583-3800 fax (703) 583-3801 http://www.deg.state.va.us

Dennis H. Treacy Director

Gregory L. Clayton Regional Director

September 29, 2000

Mr. James S. Potts Vice President, Environment Potomac Electric Power Company 1900 Pennsylvania Ave., NW Washington, D.C. 20068-0001

> Location: City of Alexandria Registration No: 70228

County-Plant No: 510-0003

Dear Mr. Potts:

Attached is a permit that authorizes Potomac Electric Power Company to operate an electric power generating station in accordance with the provisions of the Commonwealth of Virginia State Air Pollution Control Board Regulations for the Control and Abatement of Air Pollution. This permit is issued for the purpose of complying the requirements of Section 110.(a)(1) as they pertain to ozone. Section 110.(a)(1) of the Clean Air Act states that each state shall submit to the U.S. Environmental Protection Agency (EPA) a plan (State Implementation Plan) which implements, maintains, and enforces each primary and secondary standard of a national ambient air quality standard. The part of the SIP to which this permit is applicable is known as the attainment plan. The permit will ensure that the generation station will not contribute significantly to nonattainment in, or interfere with maintenance by, any other state of the national primary and secondary ambient air quality standard (for ozone) as mandated by Section 110. (a)(2)(D)(i) of the federal Clean Air Act. The facility-wide oxides of nitrogen (NO_x) emission limit given in this permit is the same as the total of the individual unit limits specified in the Section 126 Petition Rule issued by EPA on December 15, 1999. However, compliance with this permit is not to be construed as compliance with the requirements of other rules and regulations, including, but not limited to, the Section 126 Petition Rule or the requirement to apply Reasonably Available Control Technology (RACT). Except to the extent that conditions may be more stringent, this permit does not supersede or replace any other valid permit. Furthermore, this approval to operate shall not relieve Potomac Electric Power Company of the responsibility to comply with all other local, state, and federal permit regulations.

The permit contains legally enforceable conditions. Failure to comply may result in a Notice of Violation and civil penalty. Please read all permit conditions carefully.

9 VAC 5-170-200 of the Board's Regulations provides that you may request a formal hearing from this case decision by filing a petition with the Board within 30 days after this case decision notice was mailed or delivered to you. Please consult the relevant regulations for additional requirements for such requests.

Additionally, as provided by Rule 2A:2 of the Supreme Court of Virginia, you have 30 days from the date you actually received this permit or the date on which it was mailed to you, whichever occurred first, within which to initiate an appeal to court by filing a Notice of Appeal with:

Dennis H. Treacy, Director Department of Environmental Quality P.O. Box 10009 Richmond, Virginia 23240-0009

In the event that you receive this permit by mail, three days are added to the period in which to file an appeal. Please refer to Part Two A of the Rules of the Supreme Court of Virginia for additional information including filing dates and the required content of the Notice of Appeal.

Also attached is the summary of public comments with the response from this department.

If-you have any questions concerning this permit, please call the regional office at (703) 583-3840.

Sincerely,

Gregory)L. Clayton

Regional Director

GLC/CDF/THD/JRM/jrm File: PEP-SIP-SOP-CAP FINAL.DOC

Attachments: Permit; Public Comments & Response

cc: Director, OAPP (electronic file submission)

Manager, Data Analysis (electronic file submission)



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John Paul Woodley, Jr. Secretary of Natural Resources

DEPARTMENT OF ENVIRONMENTAL QUALITY

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Dennis H. Treacy Director

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COMMONWEALTH OF VIRGINIA OPERATING PERMIT

STATIONARY SOURCE PERMIT TO OPERATE

In compliance with the Federal Clean Air Act and the Commonwealth of Virginia Regulations for the Control and Abatement of Air Pollution,

Potomac Electric Power Company 1900 Pennsylvania Ave., NW, Washington, D.C. 20068-0001 Registration No. 70228 County-Plant No. 510-0003

is authorized to operate

an electric power generating station

located at

1400 N. Royal Street Alexandria, Virginia

in accordance with the Conditions of this permit and all other applicable permits and regulations of the State Air Pollution Control Board.

Approved on September 18, 2000.

Dennis H. Treacy

Director

Permit consists of 3 pages. Permit Conditions 1 to 9.

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<u>PERMIT CONDITIONS</u> - the regulatory reference and authority for the condition is listed in parentheses () after each condition.

- 1. This permit establishes source-specific emission standards to comply in part with the requirements of Section 110.(a)(1) of the federal Clean Air Act which require Virginia to submit a state implementation plan which will ensure compliance with the national primary and secondary ambient air quality standard (NAAQS) for ozone and to ensure, as mandated by Section 110. (a)(2)(D)(i) of the federal Clean Air Act, that the generating station will not contribute significantly to nonattainment in, or interfere with maintenance by, any other state with respect to the NAAQS for ozone. Except to the extent that it may be more stringent, this permit does not supersede any other local, state, or federal permit, regulation or enforceable agreement, including, but not limited to any such instrument to implement the Reasonably Available Control (RACT) provisions of 9 VAC 5-40-300 and 9 VAC 5-40-310. (9 VAC 5-80-800 C.2.b of State Regulations)
- 2. The equipment to which this permit applies is the following emissions units:
 - two coal-fired Combustion Engineering boilers (C101 and C201)*, rated at 970.1 x 10⁶ Btu/hr heat input each;
 - three coal-fired Combustion Engineering boilers (C301, C401 and C501)*,
 rated at 960.7 x 10⁶ Btu/hr heat input each

*Identifying codes for boilers are from the federal operating permit ("Title V") application dated January 6, 1998.

(Section 9.2.1 of the proposed (February 3, 2000) State Implementation Plan Revision, Phase II Attainment Plan for the Washington DC-MD-VA Nonattainment Area)

- During each ozone season (May 1 through September 30), the emission units to which this permit applies in combination shall not emit more than <u>1019 tons</u> of oxides of nitrogen (measured as NO₂).
 (9 VAC 5-80-800 C.2.b of State Regulations)
- Compliance with requirements of Condition 3 shall begin no later than year 2003 and be demonstrated by continuous emissions monitoring of the NO_X from each unit.
 - (9 VAC 5-80-890 and 9 VAC 5-80-800 C.2.b of State Regulations; Section 110.(a)(1) of the federal Clean Air Act; and Section 1.0 of the proposed (February 3, 2000) State Implementation Plan Revision, Phase II Attainment Plan for the Washington DC-MD-VA Nonattainment Area)

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- A report presenting the results of the monitoring for each ozone season shall be submitted to the Department of Environmental Quality (DEQ) Regional Office on or before October 30 of the same year. The details of the monitoring, record keeping and reporting shall be prescribed by DEQ within 60 days following the issuance of this permit and shall be incorporated into the Title V permit. The permittee may propose details of the monitoring, record keeping and reporting to DEQ before DEQ fulfills the requirement to prescribe them within 60 days.
 (9 VAC 5-80-890 and 9 VAC 5-80-900 of State Regulations)
- The records kept by the permittee to comply with Condition 5. shall be available on site for inspection by the DEQ and shall be current for at least the most recent five years.
 (9 VAC 5-80-900 and 9 VAC 5-80-110 F.1.b. of State Regulations)
- 7. As an alternative to compliance with Condition 3, the permittee may comply with 40 CFR Part 97 or a regulation of the Board approved by EPA as meeting the requirements of 40 CFR Part 96. This condition may be implemented for the units covered by either of the cited regulations once they become effective. The DEQ reserves the right to amend this permit as may be necessary should it determine that use of this alternative compliance measure will prevent the attainment or maintenance of the air quality standards in the Washington, DC Ozone Nonattainment Area.

 (9 VAC 5-80-800 C.1.c. of State Regulations)
- 8. In the event of any change in control of ownership of the permitted source, the permittee shall notify the succeeding owner of the existence of this permit by letter and send a copy of that letter to the DEQ Regional Compliance Manager. (9 VAC 5-80-940 of State Regulations)
- A copy of this permit shall be maintained on the premises of the facility to which it applies.
 (9 VAC 5-80-860 of State Regulations)